

Scorecard on the Founding Recommendations of the Ohio Farmland Preservation Task Force

Center for Farmland Policy Innovation

*Department of Agricultural, Environmental and
Development Economics*

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In June of 1997, the bi-partisan Ohio Farmland Preservation Task Force issued an analysis of the most prominent threats to the viability of Ohio farmland, and a commensurate set of state policy recommendations to encourage its successful retention. Commissioned via executive order (96-65V) during the tenure of then-Governor George Voinovich, the Task Force report marks the most recent statewide, comprehensive articulation of policy recommendations for farmland preservation efforts in the state.

This scorecard provides an update on the status of the Task Force's recommendations, outlining the extent to which each has been addressed, and identifying those that should remain on the farmland preservation agenda as policy efforts continue. Many years have passed following the issuance of the Task Force recommendations. During this time, some issues have changed, and others have gained or declined in salience. This scorecard tells the story of where Ohio farmland preservation is today, and identifies the baseline from which further efforts can be developed.

Executive Order & Task Force

The executive order that established the Ohio Farmland Preservation Task Force outlined three primary objectives. The first was to examine the causes, trends, and implications of farmland conversion to non-agricultural uses. The second was to identify incentives and voluntary methods to encourage a healthy agricultural sector. And the third was to formulate recommendations for the protection of agricultural land use. The Task Force's final report addressed each of these objectives, providing relevant background information on the occurrence and effects of farmland conversion in Ohio, and combining the second and third objectives in a set of comprehensive recommendations for farmland preservation.

In its discussion of agricultural conversion, the report stressed the recognition of unnecessary urban/suburban expansion and its consequences for the agricultural industry. Moreover, it emphasized the salient position of the intersection of agriculture and urban growth in Ohio, noting that although it contains more urban land area than any other state, more than 50 percent of Ohio's land area is classified as prime farmland. Furthermore, agriculture is Ohio's largest industry, contributing \$56.2 billion a year, at the time of the report. Despite this, its competitive land use environment led to a progressively declining amount of agricultural land. In the four years preceding the Task Force's commission, Ohio lost 100,000 acres of farmland.


Examining the causes of this loss, the Task Force cited unplanned growth, incompatible land uses, unfavorable tax policies, and an insufficient understanding of regulation implications by local governments and regulators as primary contributors. Consequently, it advocated a more integrated response to the issue, observing that "preservation of a healthy agricultural economy and urban revitalization are two sides of the same coin... strategic planning for the one must incorporate the dynamics of the other."


Recommendations


The Task Force report issued policy recommendations that addressed these issues by identifying policy solutions and incentives to support a healthy agricultural sector and facilitate farmland protection. It focused on three key sub-areas including: Voluntary Incentives; Planning and Infrastructure; and Economic Development and Urban Revitalization. In addition, these were supported by two broader policy recommendations. These recommendations have guided policy efforts in farmland preservation and agricultural viability for more than a decade. During that time, much progress has been made, and


many of these recommendations have been realized. This scorecard evaluates the extent to which each has been addressed, to provide an understanding of the apparent success of farmland preservation efforts across the state, and to articulate an accurate perspective on the current state of farmland protection in Ohio. Furthermore, the scorecard can be used to inform future farmland preservation initiatives by identifying what remains to be done, and laying the groundwork for a new agenda.


Two Primary Recommendations


 **Recommendation:** Endorse a policy statement establishing that it is a priority of the State of Ohio to preserve the state’s productive agricultural land and protect against its unnecessary and irretrievable conversion to nonagricultural uses.


 **Recommendation:** Create an Office of Farmland Preservation (OFP) within the Ohio Department of Agriculture.


 The mission of the Office of Farmland Preservation will be to administer and coordinate a Farmland Preservation Program for Ohio. Activities of the office will include:


 Work cooperatively with existing institutions, organizations and governmental entities to develop, research, assemble and disseminate information on agriculture, farmland and farmland preservation to raise awareness of the importance of protecting agricultural resources. This may include: developing youth and adult educational programs on agriculture; organizing and conducting informational and technical programs on farmland preservation; collecting, analyzing and mapping land use trends; promoting public and private options and the activities of land trusts, including the donation of conservation easements, to preserve farmland; and, identifying and disseminating model community plans, planning methodology and zoning codes, and programs for farmland preservation.


 Develop a set of state guidelines and suggested criteria for the preparation and development of local comprehensive land use plans to encourage the preservation of farmland, the efficient use of public infrastructure investment, the application of zoning, including agriculturally-supportive zoning, and the managed expansion of urban and suburban areas.

 Develop and administer a Farmland Preservation Program at the state level to be coordinated and matched with local initiatives, including the development and coordination of an Agricultural Security Area Program


 Administer a pilot Ohio Farmland Preservation Fund to leverage matching federal, local and private funds to preserve farmland.


 Develop and administer an Ohio Farmland Preservation Strategy to coordinate the planning and review of all state programs and actions with respect to their impact on farmland preservation.

 Prepare, with the Ohio Department of Development, a biannual report to the Governor on the progress of programs and activities to coordinate the preservation of farmland with economic growth and development for agriculture in the state.

 **Related Recommendation:** An advisory board for the OFP representing the various rural and urban constituents with a stake in agriculture, should be established to examine farmland preservation and its related issues.

A. Recommendations: Voluntary Incentives for Farmland Preservation

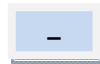

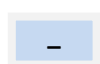

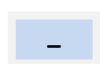
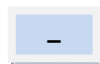
 **Recommendation:** Create an Ohio Farmland Preservation Program, which provides a menu of voluntary options to preserve farmland as well as to enhance the economic viability of agriculture.


 The focus of this program shall be to preserve agricultural land that is capable of producing food and fiber crops, which are important to the people and economy of the state. Attention, in descending order, shall be given to productive farmland:


- Large blocks of land,
- Unique soils,
- Microclimate regions,
- Commercial woodlands,
- Uniquely located farms, and
- Open space/woodlots.


 **Related Recommendation:** Continue support of the existing agriculture land use programs in Ohio's Agricultural District and Current Agricultural Use Valuation (CAUV) laws.

To enhance the usefulness of these programs to Ohio farmers and their effectiveness in preserving farmland, the following improvements are recommended for consideration:

-  Explore the opportunities and feasibility of combining the two programs and their benefits
-  Amend the Ohio Revised Code Chapter 929 (Agricultural Districts) to strengthen the statutory protections of the landowner when land is placed in Agricultural Districts.
-  Amend the Ohio Revised Code Section 929.05 (Procedure for the appropriation of property or distribution of public funds for non-agricultural uses) to provide adequate and timely notice to the Ohio Department of Agriculture for review when land in Agricultural Districts is being petitioned for appropriation.
-  Amend the Ohio Revised Code Section 929.05 to give the Director of the Ohio Department of Agriculture greater authority and participation in the review process when land in Agricultural Districts is being challenged which may result in farmland loss.
-  Increase the minimum acreage and gross income level requirements for CAUV (Ohio Revised Code Chapter 5713.30, et seq. Taxation of agricultural land) providing a waiver for unique local circumstances.
-  Counties and local governing bodies should coordinate their CAUV software and reporting procedures with state agencies.

 **Related recommendation:** Create a new voluntary program of local and/or regional Agricultural Security Areas.

 These agricultural security areas would include the benefits of agricultural districts and CAUV within the local comprehensive land use plan.

 **Related recommendation:** Authorize the creation of a Purchase of Development Rights (PDR) program.

- A PDR program allows a farmer to voluntarily sell the right to develop farmland in return for accepting a permanent conservation easement on the affected land. Per an opinion of the Office of the Ohio Attorney General, authority does not currently exist for the state and localities to purchase or accept a gift of an interest in land for the purposes of preserving its agricultural use. Therefore, such legislative changes as are necessary should be advanced to allow such authorization.

- Once authorized, PDR programs could operate at any level of government. Regarding the state's role in any PDR program, the following actions are recommend:
 - The creation of a state PDR program shall be done in such a way as to be eligible for any funds available from the USDA Farmland Protection Program.
 - Provisions should be made to allow for the purchase of development rights through installment payment arrangements.
 - Farms to be protected using any state farmland preservation funds shall be located in an Agricultural Security Area as identified in a local comprehensive land use plan.

Related recommendation: Authorize the creation of a Lease of Development Rights (LDR) program.

- As an alternative to the sale of development rights on a permanent basis as in PDR, this option would allow a farmland owner to make a long-term commitment to protecting their farmland from development for a set time period. The implications of such an arrangement on future land contracts, mortgages and other existing liens should be studied. The following are also recommended:

- The minimum term for an LDR program should be no less than 30 years.
- At the end of the term of a lease, the current owner may elect to renegotiate the lease for another 30 years or more.
- Farms to be protected using any state farmland preservation funds shall be located in an Agricultural Security Area as identified in a local comprehensive land use plan.


Related recommendation: Authorize the creation of local or regional Transfer of Development Rights (TDR) programs. Note: In the current legislative session, Bill Number 471 addresses TDR.


- This transaction involves individuals rather than a public entity but would be administratively recorded and monitored through local government subdivisions. This program is unique in that it "gives value" to properties that are in areas best suited for agricultural production. The TDR program also protects the integrity of the agricultural industry in the area as well as maintains the rural character of the landscape. The TDR program allows communities to direct development to their less productive soils and retain their higher productive ground for agricultural production and at the same time compensating both areas of the community.


Related recommendation: Consider the feasibility of a state 30-year Land Use Tax Credit (LUTC) program.

- To encourage the long-term stabilization of land in agricultural use, this program will offer eligible land-owners a tax credit based on their property taxes in return for acceptance of a 30-year term easement on the affected land. The following are recommended:
 - In order to participate, a landowner must be eligible for the current CAUV program.
 - Landowner must agree to the recording of a 30-year conservation easement on the affected land.
 - Property taxes on the land would be frozen at the time the property enters the program for a period of 30 years.
 - Landowner receives a tax credit of a percentage of the total property taxes paid (land and buildings) in the current tax year and for a period of 30 years.
 - Penalties for early withdrawal from the program could include: recapture of the taxes saved plus interest, and a percentage of the sale price of any land enrolled in the program, which is sold out of agriculture, to be paid to the local unit of government. The state,


budget permitting, shall make provisions for the reimbursement of the lost tax revenue to the local community.


 *Related recommendation: Consider the feasibility of creating a state or local interest buy-down program for farmland acquisition loans. Note: The Family Farm Loan Guarantee Program offered this type of service, but the program is no longer funded.*


 *Related recommendation: Encourage state and local land acquisition agencies to consider the protection of land through the purchase of development rights or conservation easements, rather than fee-simple purchases. Note: Some natural resources assistance councils (NRACs) allow farms in the green-space portion of Clean Ohio.*


 **Recommendation:** Create a pilot state Farmland Preservation Fund to provide funding for voluntary incentives for farmland preservation.

State seed funding is essential to the creation of local programs to offer voluntary incentives for farmland preservation. Funding for farmland preservation programs would create an opportunity for the state or localities to apply for USDA Farmland Protection Program funds. The following are recommended.


 The Ohio Department of Agriculture, through the Office of Farmland Preservation, would administer the state Farmland Preservation Fund. The Fund would be independently evaluated for effectiveness after a given period of time.


 The legislature should explore the utilization of current off-budget funding programs to finance any state contribution.


 Part of the process at the state level must be to evaluate the effectiveness of and compelling reasons for maintaining the current off-budget infrastructure funding programs.

 Local access to the state Farmland Preservation Fund will require the successful completion and adoption of a local comprehensive land use plan, and appropriate policies, that includes agriculturally-supportive zoning and agricultural security areas. In addition, access to state farmland preservation funds will require a local match.

B. Recommendations: Planning and Infrastructure

 **Recommendation:** Establish an Ohio Farmland Preservation Strategy that coordinates and guides state policies, programs and actions so as to avoid and minimize the unnecessary and irretrievable conversion of productive agricultural uses. All state agencies should use a point system to encourage redevelopment of urban areas and cohesive density development (grid pattern, cluster developments, and other land conservation models) to eliminate duplication of infrastructure and use of state funds, subsidies and grants which fund it, unless it is determined that there is no feasible or prudent alternative.

 The Office of Farmland Preservation will coordinate the establishment of the Ohio Farmland Preservation Strategy.

 The Office of Farmland Preservation will establish a uniform set of guidelines, criteria, and point system for all agencies, departments and units of state government, including quasi-governmental units and commissions, to evaluate programs, policies and actions with respect to the preservation of farmland and the impact of such activities on the preservation of farmland. Consideration should be given to evaluating such items as: quality of affected farmland; existing public facilities; ability of jurisdictions to service the development; agricultural economic viability; local land use regulations; tax concessions;

environmental impacts of the proposed action; compatibility with local comprehensive land use plans; private and public investment in rural infrastructure; utilization of available land already serviced by infrastructure; and, cost/benefit analysis.



Require coordination of quasi-governmental agencies to adopt State agricultural land preservation policies.



Include statements in appropriate legislation and administration policies that affirm that farming is a high priority use of Ohio's agricultural lands and that the State of Ohio should strive to protect agricultural land from unnecessary and irretrievable conversion to non-agricultural uses.



Related recommendation: State-owned and managed lands should be maintained using acceptable soil and water conservation practices as defined by the USDA Natural Resources Conservation Service.



Recommendation: Encourage local governments to prepare comprehensive land use plans. This would encourage: the preservation of farmland; the efficient use of public infrastructure investment; the application of zoning, including agriculturally supportive zoning; and the managed expansion of urban and suburban areas, including the identification of urban service areas. This would also discourage unnecessary duplication of services. *Note: Ohio's Balanced Growth Program encourages the type of planning described above at the watershed-scale: <http://balancedgrowth.ohio.gov/>.*

In order to achieve the goal of protecting agricultural land in Ohio, it is essential to endorse the concept of local land use planning. It is important to the existing home rule structure that land use planning and zoning must be done at the local level but within a statewide policy framework. This approach would mitigate the current lack of coordination between counties, townships, and cities. Simply put, each county should be encouraged (with matching funds and time limits) to prepare a comprehensive land use plan that is tailored to its unique needs but contains consistent statewide elements addressing farmland preservation issues. At a minimum, the state should enable local governments to utilize a more complete range of tools to guide development and to ensure that new development does not impose an inappropriate burden on the general taxpayer. The following are also recommended:



The local comprehensive land use plan would identify areas of appropriate urban/suburban densities, lower density residential areas where clustering components minimize conflicts with agriculture, appropriate conversion easement areas, and agricultural zoning districts. Farmland areas would be identified through use of a uniform system and development of strategies would identify policies protective of farmland, e.g., PDR's.



Provide state matching grants and technical assistance for the preparation of local comprehensive land use plans that would be completed within a limited time period.



The Office of Farmland Preservation will develop a minimum set of land use plans, and will administer the planning grants program state guidelines and criteria for the preparation and development of local comprehensive land use plans.



Related recommendation: Encourage local communities to utilize a cost/benefit methodology for financing capital improvements and services required as a result of the development strategy as proposed in local comprehensive land use plans. Note: Many local cost of community service studies have been conducted in Ohio.



Related recommendation: Encourage farmland preservation and necessary urban expansion through higher-density residential development and well-planned industrial development, utilizing central sewer systems and other public infrastructure. Urban service areas reflecting a minimum

25-year expansion area should be recognized. Note: Ohio's Balanced Growth Program encourages the type of planning described above: <http://balancedgrowth.ohio.gov/>.



Recommendation: Improve the ability of local governments to plan and manage land uses that are not incompatible with agriculture and necessary urban expansion.

Bring township zoning in coordination with the State's goal of farmland preservation by the following actions:



All local governments should review existing zoning regulations and bring them into compliance with existing State goals and local comprehensive land use plans.



All local governments should regularly review their zoning map and resolutions to be sure that they are in compliance with state goals and the local comprehensive land use plan with respect to the use of agricultural land.



Zoning policies should not contribute to unnecessary urban expansion, but should promote necessary urban expansion within the local comprehensive land use plan.



Zoning authorities should offer agriculturally-supportive zoning at the local level that encourages primary agricultural uses and should identify and preserve areas of farmland and farm economies.



Related recommendation: The State should require uniformity in the review of non-agricultural buildings and development permits. Building departments at all levels should adhere to a checklist of elements required to obtain a building permit.



Related recommendation: Empower counties to reduce unnecessary duplication of infrastructure and services and ensure that development is consistent with county comprehensive land use plans in the unincorporated areas.



Related recommendation: Enable county commissioners to participate more extensively in the planning and coordination of zoning matters, to more fully coordinate annexation and local comprehensive land use plans.



Local governments should have the ability to facilitate their planning, annexation and infrastructure needs.



Cooperation between all affected governments in providing needed infrastructure should be encouraged in any annexation decision.



Recommendation: Legislation should be adopted to allow counties and municipalities the permissive ability to regulate lot sizes and land divisions including acreage and health concerns within the context of an adopted local comprehensive land use plan.



Related recommendation: The construction of new structures on rural lots, which will require expensive on-site septic systems or result in undercapitalized sewer systems, should be discouraged.



Related recommendation: Wastewater treatment permit policies should be coordinated with efforts to preserve farmland.




Redirect authority for on-site septic system monitoring and regulation to county commissioners.





Create consistent on-site wastewater treatment inspection and maintenance programs.





County commissioners may assess an inspection fee and require property owner compliance with any remedial measures.

 Related recommendation: Allow counties to more effectively manage their transportation infrastructure needs and problems.


 Revise Ohio Revised Code Sections 5547.05 (Conveyance of county owned lands), 5571.16 (Excavation in township roads: procedure), and 5589.99 (Penalties) to allow county and township control of access management decisions.


 Require Ohio Department of Transportation (ODOT) to coordinate with county planning departments prior to issuing access permits for state, county, municipal and township roads and streets. Alternatively, access permits should be issued by the governmental body having jurisdiction over the road.


 Amend Ohio Revised Code so that access management rules apply to all developments, not just those that occur within planned subdivisions.


 Authorize the creation of local cooperative agreements to offset community disruptions.


C. Recommendations: Economic Development and Urban Revitalization


 Recommendation: Promote economic development programs and initiatives for agriculture at the state and local levels.


 Provide state matching funds for local planning for the long-term economic viability for agriculture as one of the major local businesses and employers.


 Encourage implementation and expansion of current agricultural programs in extension education, production efficiency and marketing. *Note: Like many state agencies, extension education has experienced significant funding cuts.*


 Encourage the Ohio Department of Development and the Ohio Department of Agriculture to continue to collaborate on ways to help agribusinesses expand or locate in Ohio and also examine the feasibility of creating a Division of Rural and Agricultural Economic Development.


 Recommendation: Reduce the influence and contribution of federal and state taxes on the conversion of farmland.


 State and federal capital gains taxes should be modified to promote housing and commercial investment and reinvestment in existing urban and older suburban communities.


 State and federal capital gains and estate taxes should be modified to promote farmland preservation and the continued ownership of farms within farm families.


 Distressed urban, suburban and rural areas should be given greater preferences in state tax abatement statutes.

 Recommendation: Support continued state funding for local land banking, including the Voinovich-Hollister Administration's Urban Initiatives Programs. The land banking process would include property identification, purchase and assembly of the property, environmental mitigation, and site preparation.

 Recommendation: More effectively utilize existing infrastructure in urban areas.

 Encourage new investments to utilize existing infrastructure in urban areas and brownfields.

 Revise the "Access Ohio" state transportation policy document to reflect farmland preservation goals.

 Allow for the reallocation of committed ODOT funds within the same area to reflect the goals of local comprehensive land use plans related to necessary urban expansion, farmland

- preservation or improvement of existing roads.
- Consider funding an allocation system that targets the need of existing rural and urban transportation networks.
- Revise ODOT rating system to de-emphasize the impact of higher, preferred funding for private investment projects, unless the project is within a local comprehensive land use plan.
- Encourage the creation of Concentrated Infrastructure Districts, which capitalize on existing infrastructure, as they relate to funding or rezoning approvals to necessary urban developments and densities.
- The current Economic Development Study Committee, created by the 121st Ohio General Assembly, should include a review of state loans, grants and other incentive programs for their impact on farmland preservation and urban revitalization. Particular attention should be given to the programs and policies of the Ohio Water Development Authority, Ohio Environmental Protection Agency, Ohio Department of Development, and the Ohio Department of Transportation.

Conclusion: The Future of Farmland Protection in Ohio

This scorecard tells a story of farmland protection policy in Ohio. It chronicles the priorities and recommendations established by the Ohio Farmland Preservation Task force and the Voinovich administration, in 1997. Furthermore, it evaluates the extent to which these recommendations have been – or remain to be – addressed. This sets the stage for the next generation of Ohio farmland preservation policy.

Although only thirteen years have elapsed since the first concerted statewide attention to farmland preservation issues, great strides have been made in pursuit of the goals set out by the Task Force. This scorecard is a testament to these accomplishments and should be viewed as a confirmation of the swift action and bi-partisan commitment to farmland preservation in Ohio.

As Ohio settles into the 21st century, a changing societal context necessitates this evaluation of progress, celebration of success, and renewed alignment of priorities reflecting the current pressing needs in farmland preservation. Shifts in population patterns and associated development trends uncover a different and varied landscape in relation to preservation efforts, and reveal shared interest and the benefit of closer collaboration with allied movements including those revolving around local food and urban interests.

As there is strong continued interest and commitment from the farmland preservation community in Ohio, this scorecard represents the next step in identifying needs and planning for the future. It is important to note that this document does not represent successes and milestones achieved at the local level, which have created a foundation of farmland preservation across the state. Further information on the various successes in communities across Ohio can be found here:

http://cffpi.osu.edu/docs/Brief2007_3.pdf.

Acknowledgements

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